

117 - O.C. HOUSING AUTHORITY - OPERATING RESERVES

Operational Summary

Description:

To work in partnership with and advocate for Orange County's diverse communities, improve lives by supporting and providing needed community services, strengthen economic viability, and preserve and expand affordable housing opportunities; thereby enhancing the quality of life for our community.

Strategic Goals:

- Increase and preserve affordable housing opportunities, especially for those most in need.

FY 2004-05 Key Project Accomplishments:

- In 04-05, Housing and Community Service (HCS) held two grand openings for affordable housing developments: Fountain Valley Senior Apartments and Stanton Accessible Apartments. These provided a total of 66 new affordable housing units. HCS also issued a Notice of Funding Availability in September 2004 for \$5,000,000 which will be used to fund 200 new affordable housing units.
- The Housing Assistance Division at HCS provided monthly rental assistance to more than 9,400 households during each month of FY 04-05. New federal funding limitations required HCS to reduce its former lease-up levels in the Section 8 Housing Choice Voucher program. This ensured that program resources benefiting the Section 8 Rental Assistance clients were fully utilized within new federal funding constraints.

O.C. Hse Authority/Oper Reserv - Operating Reserve funds may be used only for the cost of ongoing administration of Housing and Community Services' (HCS) current Section 8 rental assistance program or for other housing related purposes consistent with state and local law, including the development of affordable housing as approved by the Board.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	1,157,605
Total Final FY 2005-2006	5,760,656
Percent of County General Fund:	N/A
Total Employees:	.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

Affordable housing development continues to be one of the Board of Supervisors' Top 10 Strategic Priorities. Over \$29 million has been allocated to affordable housing projects, combining funds 117, 15G, and various redevelopment funds. Of that amount, \$21 million has already been committed to projects. HCS will continue to solicit projects through a Request for Proposal (RFP) and Notice of Funding

Availability (NOFA) for development of affordable rental housing. The goal of the RFP and the NOFA is to promote the development of permanent affordable rental housing for Orange County's very-low and low-income households by providing favorable financing.

Changes Included in the Base Budget:

Reduction in outside contracts reflect a more realistic spending pattern for FY 05-06. Fund 117 will continue to provide money for Housing Supportive Service contract, Super NOFA Homeless Assistance application planning activities, and affordable housing monitoring.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget	Actual Exp/Rev ⁽¹⁾		Actual	
		As of 6/30/05	As of 6/30/05	Final Budget	Amount	Percent
Total Revenues	7,871,188	6,538,692	9,695,173	5,760,656	(3,934,517)	-40.58
Total Requirements	1,999,187	6,538,692	1,173,722	5,760,656	4,586,934	390.80
Balance	5,872,001	0	8,521,451	0	(8,521,451)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: O.C. Housing Authority - Operating Reserves in the Appendix on page page 560

Highlights of Key Trends:

- In 2004, HUD changed its funding allocation method, which reduced Housing and Community Services (HCS) funding for Section 8 rental assistance. This coupled with Orange County's increasing housing costs, resulted in HCS not being able to support as many Sec-

tion 8 families on a monthly basis. To maximize rental assistance funds, HCS has budgeted several operating expenses in Fund 117. Since future funding continues to be uncertain, HCS is exploring all options to maximize its programs and services.

117 - O.C. Housing Authority - Operating Reserves

Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2003-2004		FY 2004-2005		FY 2004-2005		Change from FY 2004-2005	
	FY 2003-2004		Budget		Actual Exp/Rev ⁽¹⁾		Actual	
	Actual Exp/Rev		As of 6/30/05		As of 6/30/05		Amount	Percent
Revenue from Use of Money and Property	\$ 647,442	\$	376,899	\$	505,295	\$	376,899	\$ (128,396) -25.41%
Intergovernmental Revenues	0		0		2,659,986		0	(2,659,986) -100.00
Miscellaneous Revenues	26,311		0		24,945		0	(24,945) -100.00
Total FBA	5,709,617		5,872,001		5,872,001		5,383,757	(488,244) -8.31
Reserves	1,494,055		289,792		616,830		0	(616,830) -100.00
Reserve For Encumbrances	(6,237)		0		16,116		0	(16,116) -100.00
Total Revenues	7,871,188		6,538,692		9,695,173		5,760,656	(3,934,517) -40.58
Services & Supplies	685,598		1,550,109		826,821		1,179,953	353,132 42.70
Other Charges	223,494		4,782,583		244,295		4,460,703	4,216,408 1,725.94
Other Financing Uses	1,090,095		206,000		102,606		120,000	17,394 16.95
Total Requirements	1,999,187		6,538,692		1,173,722		5,760,656	4,586,934 390.80
Balance	\$ 5,872,001	\$	0	\$	8,521,451	\$	0	\$ (8,521,451) -100.00%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.